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PROGRAL GREATHER COMMISSION OF THE SECRETORY

Secretary Federal Communications Commission Washington, DC 20554

February 22, 1999

RE: Docket 94-102

Attention: Won Kim

Dear Madame:

It has come to my attention that a copy of a petition for waiver filed on behalf of North Alabama Cellular LLC in the above docket may not have reached the appropriate file. To ensure that this petition is part of the record of that proceeding, I am submitting an additional three copies of the date-stamped petition for inclusion in the file.

Please contact the undersigned with any questions.

Respectfully submitted,

Donald J. Evans

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## Before The FEDERAL COMMUNICATIONS COMMISSION

PEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In re:		RECEIVED
Petition of NACELL for partial Waiver of section 20.18(e) of the	)	FEB 2 2 1999
Commission's Rules	<u>)</u>	PROFINE OF THE SECRETION

## PETITION FOR LIMITED WAIVER OF SECTION 20.18(e)

In response to the Commission's December 24, 1998 Public Notice regarding implementation of the Automatic Location Identification requirement of Section 20.18(e) of the rules, North Alabama Cellular, LLC. ("NACELL") hereby requests a partial waiver of that rule.

NACELL is a small, independent cellular telephone company serving a single subpart of a single RSA in rural Alabama. NACELL has been very conscious of its obligations to provide 911 service on the timetable and in the manner contemplated by the Commission's rules. In the case of ALI, however, it appears that a network-based solution to providing ALI is economically infeasible for a carrier our size. NACELL has costed out the equipment necessary to provide ALI on a network basis and has been quoted figures of approximately \$75,000 per cell site. By the fall of 2001, we expect to have 30 cell sites. At that cost level, it will be simply impossible to generate sufficient revenue, either from customers or from direct subsidies from the state's 911 fund, to cover the cost of the equipment over a remotely reasonable timeframe. The cost of this equipment would swamp all other network upgrades and improvements of the system. At this early stage, we have not had an opportunity to formulate an opinion or evaluate the reliability of the network-based technologies now available, so we cannot even be certain that they would be

they would be capable of meeting the accuracy criteria required by the Commission. For these reasons, we have concluded that a network-based solution is not best, or even a feasible, method of addressing the need to establish ALI.

The Commission and, indeed, Congress, have often recognized the special position of rural telcos when imposing regulatory burdens. See, e.g., Section 251(f) of the 1996 Telecommunications Act. These provisions reflect an appreciation of the reality that small rural telcos do not have the customer base necessary to implement high cost improvements in the telephone network, no matter how beneficial or well-intentioned the improvement may be. Similar considerations apply to rural cellular carriers. Without thousands of customers to spread the cost over, the expense of installing highly expensive new equipment becomes more than the micro-economic system involved can sustain. As with other socially beneficial network upgrades (such as dialing parity, Feature Group D access, number portability, etc.) the Commission should make allowance for the relatively small resources available to smaller operators and impose network burdens accordingly.

This is not to say that NACELL does not intend to provide ALI on some basis. Current trends offer encouraging signs that handset-based solutions will develop over the next few years. Such a solution is really the only one economically feasible in markets like rural Alabama. As handsets gradually transition to instruments with GPS features, the ALI problem will be solved that way. However, we do anticipate that it will be at least five to eight years until the subscriber base is fully transitioned to GPS capable equipment. Even that timeframe depends on the cost of the new equipment and customer acceptance of the added cost entailed in engineering the new ALI features into handsets. Again, at this early point we have not been able to glean even ballpark estimates of what the cost of the ALI-capable handsets would be.

We do expect to make the ALI-capable handsets available to our new customers and for

upgrading customers as soon as such equipment is generally available in the market, even if that

occurs prior to October of 2001. Customers who choose not to upgrade until their equipment is

ready to be retired will not, of course, be able to get the benefit of ALI technology for 911

purposes, but in a customer-owned handset-based solution, we see no way around that problem.

Similarly, roamers who depend on network-based solutions in their home markets would not

have ALI capability in Alabama 1. This is one reason why an industry-wide solution using

customer handsets is probably the best course. That would at least put everyone on the same

wavelength in terms of customer expectations in all parts of the country.

Accordingly, NACELL requests a waiver of Section 20(18)(e) so as to permit graduated

compliance with the rule as customer handsets transition naturally to an ALI-capable format.

NACELL will continue to monitor industry developments in this regard. As new information on

this issue becomes available, NACELL will update this waiver request accordingly.

Respectfully submitted,

North Alabama Cellular, LLC.

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February 4, 1999

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